



Reprinted  
January 28, 2020

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## HOUSE BILL No. 1131

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DIGEST OF HB 1131 (Updated January 27, 2020 6:05 pm - DI 101)

**Citations Affected:** IC 8-1.

**Synopsis:** Extension of water and sewer mains. Provides that a "water or wastewater utility" is not limited to an investor owned utility for purposes of the statute that provides that a water or wastewater utility organized as a legal entity after June 30, 2018, is subject to the jurisdiction of the utility regulatory commission (IURC) for a period of ten years from the date of organization as a legal entity. Amends the same statute to provide that a water or wastewater utility that directly or indirectly purchases, acquires, or becomes the owner of any of the property, stock, or bonds of any other utility is subject to the jurisdiction of the IURC for a period of ten years from the date of the purchase or acquisition of the property, stock, or bonds. Provides that with respect to any water main extension or wastewater main extension, a utility shall comply with the IURC's rules governing water main extensions or wastewater main extensions, regardless of whether the utility is subject to the IURC's jurisdiction for the approval of rates and charges. Provides that disputes arising over a water main extension or a wastewater main extension may be submitted as informal complaints to the IURC's consumer affairs division, regardless of whether the person requesting the extension is a customer of the utility involved. Provides that if the IURC determines that it requires additional staff to handle the volume of informal complaints submitted, the IURC may impose a fee on the party against whom a decision is rendered. Provides that the fee may not exceed: (1) the IURC's actual costs in administering the bill's provisions; or (2) \$750.

**Effective:** July 1, 2020.

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### Pressel, Soliday

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January 8, 2020, read first time and referred to Committee on Utilities, Energy and Telecommunications.

January 16, 2020, amended, reported — Do Pass.

January 27, 2020, read second time, amended, ordered engrossed.

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Second Regular Session of the 121st General Assembly (2020)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2019 Regular Session of the General Assembly.

## HOUSE BILL No. 1131

A BILL FOR AN ACT to amend the Indiana Code concerning utilities.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 8-1-1.9-3, AS ADDED BY P.L.126-2018,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2020]: Sec. 3. As used in this chapter, "water or wastewater  
4 utility" means a ~~public~~ utility that provides water service, wastewater  
5 service, or both water service and wastewater service to the public.
- 6 SECTION 2. IC 8-1-1.9-4, AS ADDED BY P.L.126-2018,  
7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
8 JULY 1, 2020]: Sec. 4. (a) Notwithstanding IC 8-1-2.7 and any other  
9 law under which a water or wastewater utility is exempt from or may  
10 withdraw from the jurisdiction of the commission, a water or  
11 wastewater utility that is organized as a legal entity after June 30, 2018,  
12 **or that directly or indirectly purchases, acquires, or becomes the**  
13 **owner of any of the property, stock, or bonds of any other utility,**  
14 is subject to the jurisdiction of the commission with respect to:  
15 (1) rates and charges;  
16 (2) stocks, bonds, notes, or other evidence of indebtedness;  
17 (3) rules; and

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1 (4) the annual report filing requirement;  
 2 for the period of ten (10) years beginning on the day on which the  
 3 water or wastewater utility is organized as a legal entity **or directly or**  
 4 **indirectly purchases, acquires, or becomes the owner of any of the**  
 5 **property, stock, or bonds of any other utility.**

6 (b) This section does not affect:

7 (1) any statutes requiring or permitting a water or wastewater  
 8 utility to petition the commission before providing service to the  
 9 public; or

10 (2) the commission's jurisdiction regarding statutes and petitions  
 11 referred to in subdivision (1).

12 SECTION 3. IC 8-1-2-101.5 IS ADDED TO THE INDIANA CODE  
 13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 14 1, 2020]: **Sec. 101.5. (a) This section applies to:**

15 (1) a water main extension;

16 (2) a wastewater main extension; or

17 (3) an agreement that:

18 (A) is for a water main extension or a wastewater main  
 19 extension; and

20 (B) is entered into after June 30, 2020, by a utility and the  
 21 person requesting the extension.

22 (b) As used in this section, "utility" means a municipally owned  
 23 utility (as defined in IC 8-1-2-1(h)) that provides water service or  
 24 wastewater service, or both, to the public.

25 (c) With respect to any water main extension or wastewater  
 26 main extension, a utility shall comply with the commission's rules  
 27 governing water main extensions or wastewater main extensions,  
 28 as applicable, including:

29 (1) 170 IAC 6-1.5, in the case of a water main extension; or

30 (2) 170 IAC 8.5-4, in the case of a wastewater main extension;

31 as may be amended by the commission, regardless of whether the  
 32 utility is subject to the jurisdiction of the commission for the  
 33 approval of rates and charges. However, a utility is not required to  
 34 comply with any provisions in the commission's main extension  
 35 rules that require reporting to the commission.

36 (d) Disputes arising under this section may be submitted as  
 37 informal complaints to the commission's consumer affairs division,  
 38 in accordance with IC 8-1-2-34.5(b) and the commission's rules  
 39 under 170 IAC 16, including provisions for referrals and appeals  
 40 to the full commission, regardless of whether the person requesting  
 41 the extension is a customer of the utility.

42 (e) The commission shall adopt by:



1           (1) order; or  
2           (2) rule under IC 4-22-2;  
3       other procedures not inconsistent with this section that the  
4       commission determines to be reasonable or necessary to administer  
5       this section. In adopting the rules under this section, the  
6       commission may adopt emergency rules in the manner provided by  
7       IC 4-22-2-37.1. Notwithstanding IC 4-22-2-37.1(g), an emergency  
8       rule adopted by the commission under this subsection and in the  
9       manner provided by IC 4-22-2-37.1 expires on the date on which  
10      a rule that supersedes the emergency rule is adopted by the  
11      commission under IC 4-22-2-24 through IC 4-22-2-36.  
12      (f) If the commission determines that it requires additional staff  
13      to handle the volume of informal complaints submitted under this  
14      section, the commission may impose a fee under this section. Any  
15      fee charged by the commission under this section may:  
16          (1) not exceed:  
17              (A) the commission's actual costs in administering this  
18              section; or  
19              (B) seven hundred fifty dollars (\$750);  
20      whichever is less; and  
21      (2) be assessed against the party against whom a decision is  
22      rendered under this section.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Utilities, Energy and Telecommunications, to which was referred House Bill 1131, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1131 as introduced.)

SOLIDAY

Committee Vote: yeas 12, nays 0.

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 HOUSE MOTION

Mr. Speaker: I move that House Bill 1131 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 8-1-1.9-3, AS ADDED BY P.L.126-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. As used in this chapter, "water or wastewater utility" means a **public** utility that provides water service, wastewater service, or both water service and wastewater service to the public.

SECTION 2. IC 8-1-1.9-4, AS ADDED BY P.L.126-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. (a) Notwithstanding IC 8-1-2.7 and any other law under which a water or wastewater utility is exempt from or may withdraw from the jurisdiction of the commission, a water or wastewater utility that is organized as a legal entity after June 30, 2018, **or that directly or indirectly purchases, acquires, or becomes the owner of any of the property, stock, or bonds of any other utility,** is subject to the jurisdiction of the commission with respect to:

- (1) rates and charges;
- (2) stocks, bonds, notes, or other evidence of indebtedness;
- (3) rules; and
- (4) the annual report filing requirement;

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for the period of ten (10) years beginning on the day on which the water or wastewater utility is organized as a legal entity **or directly or indirectly purchases, acquires, or becomes the owner of any of the property, stock, or bonds of any other utility.**

(b) This section does not affect:

- (1) any statutes requiring or permitting a water or wastewater utility to petition the commission before providing service to the public; or
- (2) the commission's jurisdiction regarding statutes and petitions referred to in subdivision (1)."

Page 1, line 3, delete "to an agreement for a:" and insert **"to:**

- (1) a water main extension;**
- (2) a wastewater main extension; or**
- (3) an agreement that:**
  - (A) is for a water main extension or a wastewater main extension; and**
  - (B) is entered into after June 30, 2020, by a utility and the person requesting the extension."**

PAGE 1, delete lines 4 through 7.

Page 1, delete lines 11 through 17, begin a new paragraph and insert:

**"(c) With respect to any water main extension or wastewater main extension, a utility shall comply with the commission's rules governing water main extensions or wastewater main extensions, as applicable, including:**

- (1) 170 IAC 6-1.5, in the case of a water main extension; or**
- (2) 170 IAC 8.5-4, in the case of a wastewater main extension;**

**as may be amended by the commission, regardless of whether the utility is subject to the jurisdiction of the commission for the approval of rates and charges. However, a utility is not required to comply with any provisions in the commission's main extension rules that require reporting to the commission.**

**(d) Disputes arising under this section may be submitted as informal complaints to the commission's consumer affairs division, in accordance with IC 8-1-2-34.5(b) and the commission's rules under 170 IAC 16, including provisions for referrals and appeals to the full commission, regardless of whether the person requesting the extension is a customer of the utility.**

**(e) The commission shall adopt by:**

- (1) order; or**
- (2) rule under IC 4-22-2;**

**other procedures not inconsistent with this section that the**



commission determines to be reasonable or necessary to administer this section. In adopting the rules under this section, the commission may adopt emergency rules in the manner provided by IC 4-22-2-37.1. Notwithstanding IC 4-22-2-37.1(g), an emergency rule adopted by the commission under this subsection and in the manner provided by IC 4-22-2-37.1 expires on the date on which a rule that supersedes the emergency rule is adopted by the commission under IC 4-22-2-24 through IC 4-22-2-36.

(f) If the commission determines that it requires additional staff to handle the volume of informal complaints submitted under this section, the commission may impose a fee under this section. Any fee charged by the commission under this section may:

(1) not exceed:

(A) the commission's actual costs in administering this section; or

(B) seven hundred fifty dollars (\$750);

whichever is less; and

(2) be assessed against the party against whom a decision is rendered under this section."

Page 2, delete lines 1 through 2.

Re-number all SECTIONS consecutively.

(Reference is to HB 1131 as printed January 17, 2020.)

PRESSEL

